CONSUMER LAW ATTORNEY FEE SURVEY

2007

Conducted By

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Table of Contents

Introduction	. 1
Methodology	
The Average and the Median: What it Means to You	
Geographic Areas Defined	3
Interpreting the Findings.	
**************************************	ت
Summary Profile of the Typical US Consumer Law Attorney	5
outlines, and the approximent of the contraction of	
Regional Table for All Firms	6
tegional Table for this in this,	-
Regional Years in Practice Table	8
Atlantic Region Firms.	ž
™	
California Region Firms.	
Florida Region Firms	
Mid West Region Firms	1
New York Region Firms	12
North East Region Firms	_
Ohio Region Firms	
~~~~~ ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	



Pacific Region Firms
South Region Firms
Texas Region Firms
West Region Firms
Regional Median Summaries
Explanation of Tables
Atlantic
California <u>2</u>
Florida 2
Mid West 2
New York 2
North East 2
Ohio 2
Pacific
South 2
Texas <u>2</u>
US Territories
West
Note: Recommendations for Future Survey Data

#### Introduction

This report publishes the results of the Consumer Law Attorney Fee Survey, 2007. Two new facets have been added this year.

First, a "Summary Profile of the Typical US Consumer Law Attorney" has been added. It is a collective approach to the entire survey results, yielding a picture of the typical US Consumer Law practitioner scenario.

Second, a table of "Regional Median Summaries" has been added, reporting not just a median analysis (which is itself entirely new to the survey), but also the results of all of the survey questions on a localized, regional approach.

Prior studies have shown that the factors most influencing an hourly rate are an attorney's years in practice, location of practice, and size of firm. For that reason the concentration of practice tables previously compiled, while providing useful information at the time, are being dropped this year, in favor of the more detailed data provided by the Regional Median Summaries of each of the 12 regions in the survey.

In compiling this report, members of the National Association of Consumer Advocates and Consumer Law attorneys across the United States and its territories were invited to participate during the early Fall of 2007.

Information was collected for the individual's most commonly used data as of November 2007. As previously, an on-line survey service was utilized to gather and tabulate the results.

Similar studies were undertaken in 2000, 2001, 2003, 2004, and 2005. The objectives of these studies were to determine, among other things, the demographics of Consumer Law practitioners, including attorney hourly billing rate, firm size, years in practice, concentration of practice, primary and secondary practice area prevalence, paralegal billing rates and other data.

The collected information has been condensed into this reference to provide benchmarks to assist Consumer Law attorneys as they manage

their practice. Because of the increasing involvement of paralegals and law clerks in non-administrative day to day aspects of legal practice, data is also compiled on regional paralegal hourly rates.

The data is reported in several tables below, allowing the reader to consider the data from the viewpoint of a selected factor or criteria, such as the number of years practicing Consumer Law.

#### Methodology

Survey results are based on an on-line survey fielded during August and November 2007, consisting of 9 key data questions. The entire active membership of the National Association of Consumer Advocates (except for persons employed in public employment or education) along with other known Consumer Law practitioners from around the United States, with email addresses was surveyed. Invitations to participate were also randomly sent to attorneys disclosed through internet search engine results conducted on a national level as well as randomly selected physical telephone book specialty listings where available.

To help practitioners understand and interpret the data below, a brief explanation of the data may help.

#### The Average and the Median: What it Means to You

This year we introduce a new analysis methodology intended to give a different perspective on the data, the Median number analysis. For that reason, the tables below used some terms whose definition may not be clear to most Consumer Law practitioners.

The "average" (sometimes called the arithmetic average) is calculated by adding the values of all responses, then dividing by the number of responses.

Example: Five responses are reported, 3, 4, 6, 7 and 8. The average is calculated by adding their values (3 + 4 + 5 + 6 + 7 + 8 = 33), then dividing

by the number of responses (5). Thus, the average is 33 / 5 = 6.6.

The median is the middle value of a series of values, which is initially rank-ordered from low to high. By definition, half the numbers are greater and half are less than the median. Both mean and median values are used in this survey report as a pointer for the "central area" of survey results without regard to the average. Statisticians variously agree that using the median as a statistic reduces the effect of extreme outer numbers (extremely high or low values, such as 25 in the above example). Using an average takes all numbers into accounting.

Example: Five responses are reported, 3, 4, 6, 7 and 8. The median is the middle number of the order of distribution, 6. The average of this same distribution of numbers is 6.6.

The median literally is the value in the middle. It represents the mid way point in a sequence of numbers. Half the numbers in the list are above it and half are below it. It is determined by lining up the values in the set of data (in this fee survey that would be all of the individual fee rate responses logged in the survey) from the smallest on up to the largest. The one in the dead-center is the median number.

The median is not the average of the numbers (you don't add anything) in the list, but merely the center of the list. Some statisticians say that using the mean (instead of the average) gives less weight to the individual fee rates that are on the outer limits of the survey responses and is more likely to direct the survey to the "real" center of the responses.

Because the median number is commonly not the same as the average number, being either slightly above or below it, we are including both results in this year's survey results.

#### Geographic Areas Defined

The data has been compiled in twelve geographic regions, including several states identified as their own "region." This is loosely based on a combination of three factors: the Altman-Weil regional tables, the quantity of Consumer Law attorneys that were readily identified as practicing in each state, and the geographic proximity of any one state to a nearby overall region.

Atlantic:

DC, DE, NC, NJ, PA, VA, WV

California

Florida

Mid West:

LA, LL, IN, KS, MI, MN, MO, ND, NE, SD, WI

New York

North East:

CT, MA, MD, ME, NH, RI, VT

Ohio

Pacific:

AK, HI, OR, WA

South:

AL, AR, GA, KY, LA, MS, OK, SC, TN

Texas

**US** Territories:

Puerto Rico, Guam, American Samoa, US Virgin Islands

West:

AZ, CO, ID, MT, NM, NV, UT, WY

#### Interpreting the Findings

An hourly rate is impacted by several factors, including years of practice, firm size, practice location, degree of practice concentration, reputation, advertising, personal client relationships, and other factors. As a result, the information presented here is for informational purposes only and may or may not be indicative of a particular attorney's reasonable hourly rate without further, more detailed analysis of the available and other data.

The Regional Median Summaries table is presented to give an overview of the practice on Consumer Law lawyers in each region, but note the use of the median in this section to reduce the effect of extremely high or low values in some data.

Where necessary, absent or insufficient data is represented by a dash mark instead of a numerical entry in the column.

# Summary Profile of the Typical US Consumer Law Attorney

This section summarizes key statistics derived from the survey. Emphasis here is on the "average" Consumer Law attorney in the United States with respect to hourly billing rates and other survey factors.

The typical Consumer Law attorney is in a small office of 4 or fewer practitioners and has been practicing law for 15 to 16 years. 83% of their practice consists of Consumer Law issues with the practice supplemented by either Personal Injury or Bankruptcy cases.

The typical Consumer Law firm employs 1 paralegal (1.4 to be exact) whose hourly billable rate is \$93.25.

The average hourly rate for the typical Consumer Law attorney (regardless of all other factors) is \$307.

The median Attorney hourly rate is \$308. The median 25% Attorney hourly rate (the point at which 25% of all survey participants reported an hourly rate lower than this number) is \$244. The median 75% Attorney hourly rate is \$365. Only 5% of survey participants reported an hourly rate higher than \$465.

The typical firm has not changed their hourly rates in the last 14.75 months.

Regional Table for All Firms

This Table does not take into consideration the factors of the degree of concentration or years of practice, among other things, all of which will have a large impact on any particular person's hourly rate.

New York	Mid West (IA IL IN KS MI MN MO ND NE SD WI)	Florida	California	Atlantic (DC DE NC NJ PA VA WV)	Region:
4	16	6.5	22	01	% of Total Survey Responses From This Region:
79	60	76	75	81	Small Firm % of Region (<5)
21	40	24	25	19	Large Firm % of Region (>5)
363	323	339	372	313	Small Firm Average Attorney Rate In this Region
358	274	375	445	417	Large Firm Average Attorney Rate In this Region
115	110	98	141	108	Small Firm Average Paralegal Rate In this Region
112	126	131	140	121	Large Firm Average Paralegal Rate In this Region

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West (AZ CO ID MT NM NV UT NVY)	US Territories	Texas	South (AL AR GA KY LA MS OK SC TN)	Pacific (AK HI OR WA)	Ohio	North East (CT MA MD ME NH RI VT)	Region:
6.8	1	6	8.7	4.6	10	4	% of Total Survey Responses From This Region:
77	00%	90	82	93	94	71	Small Firm % of Region (<5)
23	t	10	. 158	7	7	29	Large Firm % of Region (>5)
287	200	291	292	268	269	298	Small Firm Average Attorney Rate In this Region
275	ŧ	425	225	350	412	425	Large Firm Average Attorney Rate In this Region
113	75	88	94	96	113	115	Small Firm Average Paralegal Rate In this Region
100	ţ	125	100	150	3	108	Large Firm Average Paralegal Rate In this Region

# Regional Years in Practice Table Atlantic Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	219
3-5	263
6-10	300
11-15	425
16-20	350
21-25	375
26-30	3 <i>7</i> 5
>31	400

# California Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	175
1-3	290
3-5	333
6-10	367
11-15	383
16-20	450
21-25	297
26-30	450
>31	471

Florida Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	250
1-3	250
3-5	<u>-</u>
6-10	320
11-15	338
16-20	338
21-25	350
26-30	350
>31	483

Mid West Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	250
1-3	225
3-5	254
6-10	289
11-15	394
16-20	270
21-25	322
26-30	350
>31	290

New York Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	225
3 <del>-</del> 5	-
6-10	275
11-15	350
16-20	350
21-25	340
26-30	325
>31	463

North East Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	-
3-5	100
6-10	267
11-15	325
16-20	338
21-25	-
26-30	392
>31	400

Ohio Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	175
1-3	233
3-5	-
6-10	225
11-15	318
16-20	308
21-25	275
26-30	256
>31	290

Pacific Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	150
3 <b>-</b> 5	-
6-10	238
11-15	292
16-20	325
21-25	338
26-30	258
>31	338

# South Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	225
3-5	275
6-10	325
11-15	246
16-20	263
21-25	425
26-30	275
>31	333

Texas Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	-
1-3	200
3-5	225
6-10	275
11-15	225
16-20	275
21-25	308
26-30	275
>31	433

West Region Firms

Years Practicing Consumer Law	Average Attorney Hourly Rate
<1	••
1-3	275
3-5	242
6-10	250
11-15	325
16-20	325
21-25	325
26-30	288
>31	375

# Regional Median Summaries

Explanation of Tables

Explanation of Table	
Firm Size	<5 means fewer than 5 attorneys in the law firm size. >5 means 5 or more attorneys in the law firm size.
Years in Practice	The median number of years that all attorneys in this region have been in practice.
Concentration of Practice in Consumer Law	Expressed as a percentage, ranges are avoided where possible in preference to a specific result.
Primary Practice Area	The area comprising at least 50% of the practice.
Secondary Practice Area	The largest practice area outside of Consumer Law. Where no one area dominates a dash is entered in the table.
Number of Paralegals in Firm	The median number resulting from all survey responses.
Last Time Rate Change Occurred (months)	Expressed in months, ranges are avoided where possible in preference to a specific result.
Median Paralegal Rate for All Paralegals	Expressed in dollars, ranges are avoided where possible in preference to a specific result.
Average Attorney Rate for All Attorneys	Expressed in dollars, ranges are avoided where possible in preference to a specific result. Note that this is not the "median."
25% Median Attorney Rate for All Attorneys	25% of all survey responses are below this number, expressed in dollars.
Median Attorney Rate for All Attorneys	Half of all survey responses are above this number and half below, expressed in dollars.
75% Median Attorney Rate for All Attorneys	75% of all survey responses are below this number, expressed in dollars.
95% Median Attorney Rate for All Attorneys	5% of all survey responses are above this number, expressed in dollars.

#### California

Firm Size	<5
Years in Practice	11-15
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	Other
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12
Median Paralegal Rate for All Paralegals	125-149
Average Attorney Rate for All Attorneys	394 ·
25% Median Attorney Rate for All Attorneys	312
Median Attorney Rate for All Attorneys	350-374
75% Median Attorney Rate for All Attorneys	450
95% Median Attorney Rate for All Attorneys	575

# Atlantic

Firm Size	<5
Years in Practice	25
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	-
Number of Paralegals in Firm	3
Last Time Rate Change Occurred (months)	7-11
Median Paralegal Rate for All Paralegals	100-124
Average Attorney Rate for All Attorneys	343
25% Median Attorney Rate for All Attorneys	245
Median Attorney Rate for All Attorneys	412
75% Median Attorney Rate for All Attorneys	400
95% Median Attorney Rate for All Attorneys	475

# Florida

-	-
Firm Size	<5
Years in Practice	11-15
Concentration of Practice in Consumer Law	90
Primary Practice Area	Consumer Law
Secondary Practice Area	Personal Injury
Number of Paralegals in Firm	I
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	100
Average Attorney Rate for All Attorneys	348
25% Median Attorney Rate for All Attorneys	262
Median Attorney Rate for All Attorneys	325-349
75% Median Attorney Rate for All Attorneys	388
95% Median Attorney Rate for All Attorneys	432

#### Mid West

Firm Size	<b>&lt;</b> 5
Years in Practice	14
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	Bankruptcy
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	110
Average Attorney Rate for All Attorneys	304
25% Median Attorney Rate for All Attorneys	252
Median Attorney Rate for All Attorneys	275
75% Median Attorney Rate for All Attorneys	350
95% Median Attorney Rate for All Attorneys	450

#### New York

Firm Size	<5
Years in Practice	21
Concentration of Practice in Consumer Law	60-69
Primary Practice Area	Consumer Law
Secondary Practice Area	Bankruptcy
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	100
Average Attorney Rate for All Attorneys	363
25% Median Attorney Rate for All Attorneys	255
Median Attorney Rate for All Attorneys	325
75% Median Attorney Rate for All Attorneys	390
95% Median Attorney Rate for All Attorneys	575

# North East

LIOLUI LIGOL	
Firm Size	<b>&lt;</b> 5
Years in Practice	20
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	Other
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12
Median Paralegal Rate for All Paralegals	75-99
Average Attorney Rate for All Attorneys	334
25% Median Attorney Rate for All Attorneys	275
Median Attorney Rate for All Attorneys	325
75% Median Attorney Rate for All Attorneys	440
95% Median Attorney Rate for All Attorneys	488

#### Ohio

Firm Size	<5
Years in Practice	11-15
Concentration of Practice in Consumer Law	70-79
Primary Practice Area	Consumer Law
Secondary Practice Area	Bankruptcy
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	75-99
Average Attorney Rate for All Attorneys	260
25% Median Attorney Rate for All Attorneys	210
Median Attorney Rate for All Attorneys	250
75% Median Attorney Rate for All Attorneys	300
95% Median Attorney Rate for All Attorneys	425

#### Pacific

Firm Size	<5
Years in Practice	11-15
Concentration of Practice in Consumer Law	60-69
Primary Practice Area	Consumer Law
Secondary Practice Area	Personal Injury
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	7-11
Median Paralegal Rate for All Paralegals	<b>7</b> 5
Average Attorney Rate for All Attorneys	273
25% Median Attorney Rate for All Attorneys	209
Median Attorney Rate for All Attorneys	250
75% Median Attorney Rate for All Attorneys	320
95% Median Attorney Rate for All Attorneys	388

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# South

Firm Size	<5
Years in Practice	16-20
Concentration of Practice in Consumer Law	90
Primary Practice Area	Consumer Law
Secondary Practice Area	Personal Injury
Number of Paralegals in Firm	<b>2</b>
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	75
Average Attorney Rate for All Attorneys	282
25% Median Attorney Rate for All Attorneys	207
Median Attorney Rate for All Attorneys	250
75% Median Attorney Rate for All Attorneys	300
95% Median Attorney Rate for All Attorneys	425

#### Texas

TCVOS	· <del></del>
Firm Size	<5
Years in Practice	16-20
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	Bankruptcy
Number of Paralegals in Firm	1
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	75-99
Average Attorney Rate for All Attorneys	305
25% Median Attorney Rate for All Attorneys	212
Median Attorney Rate for All Attorneys	275
75% Median Attorney Rate for All Attorneys	350
95% Median Attorney Rate for All Attorneys	575

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# **US Territories**

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Firm Size	<b>&lt;</b> 5
Years in Practice	11-15
Concentration of Practice in Consumer Law	20-29
Primary Practice Area	Bankruptcy
Secondary Practice Area	General Practice
Number of Paralegals in Firm	2
Last Time Rate Change Occurred (months)	12-24
Median Paralegal Rate for All Paralegals	50-74
Average Attorney Rate for All Attorneys	200
25% Median Attorney Rate for All Attorneys	_
Median Attorney Rate for All Attorneys	200
75% Median Attorney Rate for All Attorneys	-
95% Median Attorney Rate for All Attorneys	<u>-</u>

# West

Firm Size	<5
Years in Practice	6-10
Concentration of Practice in Consumer Law	90-100
Primary Practice Area	Consumer Law
Secondary Practice Area	Personal Injury
Number of Paralegals in Firm	2
Last Time Rate Change Occurred (months)	7-11
Median Paralegal Rate for All Paralegals	75-99
Average Attorney Rate for All Attorneys	285
25% Median Attorney Rate for All Attorneys	250
Median Attorney Rate for All Attorneys	250-274
75% Median Attorney Rate for All Attorneys	320
95% Median Attorney Rate for All Attorneys	363

#### Note: Recommendations for Future Survey Data

As always, we welcome your Recommendations on improving the survey to gather additional useful information for Consumer Law practitioners. Please email your Recommendations to Ron@TheLawCoach.com.

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